### HEALTH SERVICE AND DEVELOPMENT AGENCY

## **COMMUNIQUE**

# A MONTHLY PUBLICATION OF THE HEALTH SERVICES AND DEVELOPMENT AGENCY

Andrew Jackson State Office Building 500 Deaderick Street, Suite 850 Nashville, TN 37243

### **APRIL, 2003**

For Meeting verification/change or agenda information, please call the Agency Office

### HEALTH SERVICES AND DEVELOPMENT AGENCY

Chairman..... Gene Caldwell, M.D.

Vice Chairman..... Carl Koella

Executive Director..... Melanie Hill

General Counsel..... Reid A. Brogden

Department of Mental Health and Developmental Disabilities, Office of Policy Planning........615/532-6500

Office Hours are 8:00 a.m. to 4:30 p.m., Central Time, Monday through Friday.

ALL RECORDS ARE PUBLIC INFORMATION

HFC8403

#### CAL FNDAR

The Health Services and Development Agency office will be closed on the following days in 2003:

Wednesday, January 1 – New Year's Day Monday, February 17 – President's Day Monday, May 26 – Memorial Day [Observed] Monday, September 1 – Labor Day Tuesday, November 11 – Veteran's Day Monday, January 20 - M.L. King Day Friday, April 18 - Good Friday Friday, July 4 - Independence Day Monday, October 13 - Columbus Day [Tentative] Thursday, November 27 - Thanksgiving Day

Thursday, December 25 - Christmas Day

### **REVIEW CYCLE**

2003 Cyc	Publication Dates-Lett	Applicati	HDSA Mee	End of Appeal
January	12/01/02-12/10	5 days after pu	03/26/03	15 days after mee
February	01/01/03-01/10		04/23/03	
March	02/01/03-02/10		05/28/03	
April	03/01/03-03/10		06/25/03	
May	04/01/03-04/10		07/23/02	
June	05/01/03-05/10		08/27/03	
July	06/01/03-06/10		09/24/03	
August	07/01/03-07/10		10/22/03	
Septembe	08/01/03-08/10		11/12/03	
October	09/01/03-09/10		12/10/03	
Novembe	10/01/03-10/10		01/28/04	
Decembe	11/01/03-11/10		02/25/04	

<sup>\*</sup>Tentative date to be confirmed later in the year.

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the *preceding* business day.

### STATE OF TENNESSEE POLICY OF NON-DISCRIMIANTION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243 TELEPHONE \$615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR, REID BRODGEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243 TELEPHONE #615/741-2364.

### **Health Services and Development Agency Members**

Gene Caldwell, M.D. Chairman (Speaker of the House Representative)

> Carl Koella Vice Chair (Consumer Representative)

Subhi Ali, M.D. (TMA Representative)

Greg Duckett (THA Representative)

Manny Martins (TennCare Representative)

Paula Flowers (Commerce & Insurance Commissioner)

**Everett Sinor** (Designee Commerce & Insurance)

Faye Weaver (Comptroller Representative)

Cheryl Cunningham (Speaker of the Senate Representative)

Bryan Atchley (Tennessee Healthcare Association Representative)

### HEALTH SERVICES AND DEVELOPMENT AGENCY MEETING

The Health Services and Development Agency meeting for April 23, 2003 will be held at the:

Bellsouth Towers 333 Commerce Street Main Auditorium Nashville, TN April 23, 2003 8:30 a.m. CDT

The Health Services and Development Agency meeting for May 28, 2003 will be held at the:

Bellsouth Towers 333 Commerce Street Main Auditorium Nashville, TN May 28, 2003 8:30 a.m. CDT

\*Meeting location can change

### DIRECTOR'S ANNOUNCEMENTS:

### PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be heard. The parties are encouraged to provide 19 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.

Health Services and Development Agency Authorization No. 316323, 200 copies, April 2003 This public document was promulgated at a cost of 93¢ per copy.

### RESULTS OF APPLICATIONS HEARD AT THE MARCH 2003 HSDA MEETING

### NAME AND ADDRESS APPROVED

Surgery Center of Columbia Not assigned Columbia (Maury Co.), TN 38401 Kim Looney - (615)–259-1450 CN0210-106

### DEFERRED FROM FEBRUARY HSDA MEETING

Premier Orthopaedic Surgery Center, LLC 394 Harding Place Nashville (Davidson Co.), TN 37211 Edwin Day - (615)—952-2297 CN0211-116

### DEFERRED FROM FEBRUARY HSDA MEETING

Erlanger Health System 975 East 3rd Street Chattanooga (Hamilton Co.), TN 37403 Martin S. McKay - (423)--778-3286 CN0210-100

DeLozier Surgery Center 209 23rd Avenue North Nashville (Davidson Co.), TN 37203 Brian White - (615)--565-9000 CN0211-114

Kingsport Eye Surgery Center 999 Executive Park Boulevard, Suite 100 Kingsport (Sullivan Co.), TN 37660 John Wellborn - (615)--665-2022 CN0212-119

Tennessee Christian Medical Center 500 Hospital Drive Madison (Davidson Co.), TN 37115 John Wellborn - (615)--665-2022 CN0212-123

Southern Tennessee Medical Center 185 Hospital Road Winchester (Franklin Co.), TN 37398 John Wellborn - (615)--665-2022 CN0212-124

### DESCRIPTION

The replacement of the Surgery Center of Columbia's existing ambulatory surgical treatment center (ASTC) at 1405 Hatcher Lane in Columbia, Tennessee with a newly constructed facility. The replacement facility will be located behind the existing ASTC in a location that borders Rosewood and Alpine Drives. The number of operating rooms (2) and procedure rooms (3) will not change.

2,167,524.00

The establishment of a two (2) operating room ambulatory surgical treatment center (ASTC) and the initiation of outpatient surgery services at 394 Harding Place in Nashville, Tennessee.

\$ 3,531,660.00

The addition of a third magnetic resonance imaging (MRI) unit at the main campus.

4,092,974.00

The establishment of a single specialty ambulatory surgical treatment center (ASTC) with one (1) operating room and the initiation of outpatient plastic and reconstructive surgery.

\$ 697.251.00

The establishment of an ambulatory surgical treatment center (ASTC) with two surgical procedure rooms, and the initiation of outpatient ophthalmic eye surgery services. The ASTC will be located in an existing professional building.

\$ 2,075,210.00

The discontinuance of obstetrical services at Tennessee Christian Medical Center.

\$ 25.000.00

The initiation of mobile Positron Emission Tomography (PET) services two days per month at the main hospital campus.

\$ 251,892.00

### RESULTS OF APPLICATIONS HEARD AT THE MARCH 2003 HSDA MEETING

### NAME AND ADDRESS DEFERRED

State of Franklin Health Associates Outpatient Diagnostic Center 219 Princeton Road, Suite 101 Johnson City (Washington Co.), TN 37601 John Wellborn - (615)--665-2022 CN0212-122 Deferred to April HSDA Meeting

### DESCRIPTION

The establishment of an outpatient diagnostic center (ODC), the initiation of magnetic resonance imaging (MRI) services, the acquisition of a magnetic resonance imaging (MRI) scanner, and the provision of computed tomography (CT), ultrasound, echocardiography, mammography, nuclear medicine, and bone densitometry services.

\$ 4,312,481.00

### APPLICATIONS TO BE HEARD AT THE APRIL 2003 HSDA MEETING

### NAME AND ADDRESS

Wellmont Hancock County Hospital Highway 33 Main Street Sneedville (Hancock Co.), TN 37869 Troy Clark - (423)–230-8209 CN0209-083

### **DEFERRED FROM JANUARY HSDA MEETING**

DeKalb County Orthopaedic Surgery Center, P.L.L.C.
30 Smithville (DeKalb Co.), TN 37166
Sarah Cripps – (615)—597-2989
CN0210-096

# DEFERRED FROM JANUARY HSDA MEETING DEFERRED FROM FEBRUARY HSDA MEETING

State of Franklin Health Associates Outpatient Diagnostic Center 219 Princeton Road, Suite 101 Johnson City (Washington Co.), TN 37601 John Wellborn - (615)--665-2022 CN0212-122

### **Deferred from March HSDA Meeting**

Nashville Rehabilitation Hospital 511 Main Street Nashville (Davidson Co.), TN 37206 Jane Andrews - (615)–226-4330 CN0212-125

### DESCRIPTION

The construction of a ten (10) bed hospital in Hancock County at Highway 33 Main Street in Sneedville, Tennessee. The ten (10) beds will be licensed as medical/surgical and wing beds.

\$ 8,625,479.60

The establishment of an ambulatory surgical treatment center (ASTC) with one (1) one operating room and one (1) procedure room to be located at 304 North Congress Boulevard in Smithville, Tennessee.

\$ 1,539,260.00

The establishment of an outpatient diagnostic center (ODC), the initiation of magnetic resonance imaging (MRI) services, the acquisition of a magnetic resonance imaging (MRI) scanner, and the provision of computed tomography (CT), ultrasound, echocardiography, mammography, nuclear medicine, and bone densitometry services.

\$ 4.312.481.00

The replacement and relocation of Nashville Rehabilitation Hospital from 610 Gallatin Avenue to 511 Main Street in Nashville, Tennessee. The hospital is currently licensed for one hundred eleven (111) acute hospital beds; sixty-five (65) medical, thirty-four (34) acute rehabilitation, and twelve (12) geriatric psychiatric. The proposed facility will have ninety (90) acute hospital beds; forty-four (44) medical, thirty-four (34) acute rehabilitation, and twelve (12) geriatric psychiatric.

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### APPLICATIONS TO BE HEARD AT THE APRIL 2003 HSDA MEETING

### NAME AND ADDRESS

Willowbrook Home Health Care Agency, Inc. Two International Plaza, Suite 401 Nashville (Davidson Co.,), TN Barbara Knuutila - (615)--366-6060 CN0301-001

Horizon Medical Center 111 Highway 70 East Dickson (Dickson Co.), TN 37055 John Wellborn - (615)--665-2-22 CN0301-004

Centennial Medical Center 2410 Patterson Street Nashville (Davidson Co.), TN 37203 John Wellborn - (615)--665-2022 CN0301-005

#### DESCRIPTION

The addition of twenty-two (22) counties to the existing 14-county service area to include Bedford, Clay, Coffee, Franklin, Giles, Houston, Humphreys, Jackson, Lawrence, Lewis, Lincoln, Marshall, Maury, Montgomery, Moore, Overton, Perry, Putnam, Stewart., Warren, Wayne and White and to relocate the parent office of the home health agency from 125-A Haven Street in Hendersonville (Sumner County), TN to Two International Plaza, Suite 401 in Nashville (Davidson County), TN. If approved, a sister home health agency, Willowbrook Health and Home Services, Inc., also owned by Willowbrook Health Systems, Inc. will discontinue home health agency services and surrender its license within 180 days of approval to provide services to the mental retardation and developmentally disabled population as a licensed Professional Services Agency under the auspices of the Medicaid Waiver program in the applicant's proposed thirty-six (36) county service area. 11.250.00

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The acquisition of a linear accelerator and the initiation of radiation therapy services for its cancer patients at its hospital facility.

4,660,852.00

The addition of five (5) general hospital beds and the expansion of the inpatient rehabilitation bed complement from 20 general hospital beds to 25 general hospital beds. There will be no net increase or decrease in the medical center's total 688 general hospital and 26 skilled nursing licensed bed complement. The inpatient rehabilitation unit will contain 25 beds, the 20 existing beds and 5 additional beds that are currently allocated to the adult psychiatric bed program. If approved, the hospital's licensed bed complement will be 510 general acute, 101 adult psychiatric, 42 geriatric psychiatric, 10 child/adolescent psychiatric, 25 rehabilitation and 26 skilled nursing for a total of 714 beds. This project will take place on the fourth floor of the Parkview Building on the hospital campus. \$ 151.200.00

### APPLICATIONS TO BE HEARD AT THE MAY 2003 HSDA MEETING

### NAME AND ADDRESS

Medical Center of Manchester 481 Interstate Drive Manchester (Coffee Co.), TN 37355 Bobby Couch – (931)—728-6354 CN0210-095

Advanced Orthopaedics, Inc. 2320 Thornton Taylor Parkway Fayetteville (Lincoln Co.), TN 37334 Candi Kinney – (931)—393-5088 CN0301-003

Coffee Medical Center 1001 McArthur Street P.O. Box 1079 Manchester (Coffee Co.), TN 37349-1079 CN0302-006

Knollwood Manor 405 Times Avenue Lafayette (Macon Co.), TN 37083 Linda Austin – (615)—666-3170 CN0302-007

The King's Daughters and Sons Home 3568 Appling Road Bartlett (Shelby Co.), TN 38233 Ronald B. Arrison – (901)—272-7405 CN0302-008

### DESCRIPTION

The initiation of mobile Magnetic Resonance Imaging "MRI" services one (1) day per week. The mobile MRI will be located outside the Emergency Room entrance to Medical Center of Manchester.

\$ 258,000.00

The initiation of in-office magnetic resonance imaging (MRI) services.

624,043.80

The construction of a 30,000 gross square foot addition adjoining Coffee Medical Center in Manchester (Coffee County), Tennessee. If approved, the addition will provide replacement facilities for Admitting, Emergency Room, Surgery, Imaging and one patient care unit of 26 beds. The hospital's licensed bed complement will remain unchanged at 54 general hospital beds, including 10 swing beds, and 72 dually certified Level II (skilled) nursing facility beds for a total of 126 beds. There will be no major moveable equipment involved and no existing service will be discontinued.

\$ 7.861.585.00

The conversion of six (6) existing assisted care living beds to six (6) skilled nursing beds in existing space at Knollwood Manor, 405 Times Avenue in Lafayette, Tennessee. The current bed complement of Knollwood Manor is forty-three (43) nursing home and six (6) assisted living beds. If approved, Knollwood Manor will have a bed complement of forty-nine (49) nursing home and zero (0) assisted living beds.

NOTE: These beds will be considered under the 2002/2003 125-bed pool.

\$ 4.000.00

The relocation and replacement of a one hundred eight (108) bed nursing home. The existing site is 1467 E. McLemore Avenue in Memphis, Tennessee and the new site is 3568 Appling Road in Bartlett, Tennessee.

NOTE: Bed pool not applicable. \$ 8,353,705.00

### APPLICATIONS TO BE HEARD AT THE MAY 2003 HSDA MEETING

### NAME AND ADDRESS

Bradley County Memorial Hospital 2305 Chambliss Avenue P.O. Box 3060 Cleveland (Bradley Co.), TN 37320 James Alwell – (423)—559-6103 CN0302-009

Centennial Medical Center at Ashland City 313 North Main Street Ashland City (Cheatham Co.), TN 37015 John Wellborn – (615)—665-2022 CN0302-010

Hillside Hospital 1265 East College Street Pulaski (Giles Co.), TN 38478 John Wellborn – (615)—665-2022 CN0302-011

Wellmont Bristol Regional Medical Center 1 Medical Park Boulevard Bristol (Sullivan Co.), TN 37620 Troy Clark – (423)—230-8209 CN0302-012

+Imaging Alliance – Nashville PET, LLC 52 White Bridge Road Nashville (Davidson Co.), TN 37205 Willis Sanders – (615)—312-0600 CN0302-013

Baptist Outpatient Cardiac Catheterization Center Baptist 20<sup>th</sup> Avenue Medical Plaza 300 20<sup>th</sup> Avenue Nashville (Davidson Co.), TN 37203 Robert Limyansky – (770)—394-8465 CN0302-014

### DESCRIPTION

The establishment of an eight (8) bed inpatient psychiatric unit and the initiation of geriatric inpatient psychiatric services. Approximately 4,000 square feet of unused space located on the second floor of Bradley Memorial Hospital will be renovated to accommodate the geriatric psychiatric unit. No major medical equipment will be purchased and no new licensed beds are requested. If approved, the bed complement of the facility will be 207 medical/surgical, 18 obstetrical, 10 ICU/CCU, 8 pediatric and 8 geriatric psychiatric for a total general/pediatric licensed hospital bed complement of 251 beds. There will be no change in the total number of licensed beds.

\$ 165,000.00

The initiation of mobile magnetic imaging services. The mobile service will be located on an existing mobile services pad one day per week at Centennial Medical Center at Ashland City.

\$ 252.000.00

The initiation of mobile extracorporeal shockwave lithotripsy services one (1) day per week.

\$ 133,500.00

The major medical equipment acquisition of a CyberKnife System for Radiosurgery and the initiation of steriotactic radiosurgery services. Approximately 2,600 square feet of new space will be constructed and 1,300 square feet space will be renovated space at the existing outpatient cancer center located on the medical center campus in Bristol, Tennessee. \$ 6.633,000.00

The initiation of Positron Emission Tomography (PET) imaging services and the acquisition of PET imaging equipment.

NOTE: CN0302-017 – Nashville PET, LLC filed a simultaneous review application. \$ 2.876.292.00

The establishment of a freestanding outpatient diagnostic cardiac catheterization laboratory. \$ 2,335,256.00

### APPLICATIONS TO BE HEARD AT THE MAY-2003 HSDA MEETING

### NAME AND ADDRESS

Crossroads Procedural Center 1805 Williamson Court, Suite 200 Brentwood (Williamson Co.), TN 37027 John Wellborn – (615)—665-2022 CN0302-015

Knoxville Addiction Research and Treatment Center 7203 Chapman Highway Knoxville (Knox Co.), TN 37920 Rusty Titsworth – (615)—327-4528 CN0302-016

+Nashville PET Center 3319 West End Avenue Nashville (Davidson Co.), TN 37203 John Crawford – (615)—665-8889 CN0302-017

### DESCRIPTION

The establishment of an ambulatory surgical treatment center limited to pain management. The facility will be located in approximately 5,500 square feet (SF) of space in an existing building at 1805 Williamson Court in Brentwood, Tennessee. The project will include approximately 2,500 SF of shared space with the private practice office of Pain and Spine Consultants Medical Group. The facility includes two (2) procedure rooms, nursing and staff stations, patient holding and recovery areas and other clinical and support space. \$790,222.00

The initiation of methadone treatment and the establishment of a non-residential methadone treatment facility.

\$ 733,130.00

The initiation of Positron Emission Tomography (PET) imaging services and the acquisition of PET imaging equipment.

NOTE: This project was filed as a simultaneous review application of CN0302-013 – Imaging Alliance-Nashville PET, LLC file. \$ 2.778.000.00

### APPLICATIONS TO BE HEARD AT THE JUNE HSDA MEETING

### NAME AND ADDRESS

Nashville Diagnostic Imaging 3319 West End Avenue Nashville (Davidson Co.), TN 37203 John Crawford – (615)—665-8889 CN0303-018

Methodist Medical Center 990 Oak Ridge Turnpike Oak Ridge (Anderson Co.), TN 37830 Laurie Halsey – (865)—380-2345 CN0303-019

### DESCRIPTION

The establishment of an outpatient diagnostic center, the acquisition of a magnetic resonance imaging (MRI) unit and the initiation of MRI services. If approved, the facility will be located in approximately 2,500 square feet of space. The renovated and newly constructed space will be located on the first floor of the Crystal Terrace Office Building at 3319 West End Avenue, Nashville, Tennessee.

2,508,000.00

The renovation and expansion of the existing physical plant located at Methodist Medical Center, 990 Oak Ridge Turnpike, Oak Ridge (Anderson County), Tennessee. \$ 43,731,689.00

# CONTESTED CASES TO BE HEARD BY AN ADMINISTRATIVE LAW JUDGE SITTING ALONE

FACILITY	DOCKET#	DESCRIPTION	Hearing Date
Ambulatory Surgical Associates, Inc./Tullahoma Ambulatory Surgery Center Tullahoma, Coffee County - CN0105-031A and CN0105-029	25.00-022931J	Third party appeal of approval of Certificate of Need.	9/26/01
American Drug Care Memphis, Shelby County - CN0006-042A	25.00-011661J	Third party appeal of approval of CON.	10/25/00
Associates of the Meridian Health Outpatient Surgery Chattanooga, Hamilton County - CN0009-033A	025-258-111	Petitioner appeal of approval of CON.	12/13/00
Fentress Health Systems, LLC - CN0112-092A Jamestown, Fentress County	17.14-029659J	Third party appeal of approval of CON.	5/22/02
Henry County Orthopaedic Surgery Center, Inc.	25.00-041227J	Appeal of denial of CON.	02/26/03
Jackson-Madison County General Hospital District Jackson, Madison County - CN0206-042A	25.00-0354615	Third party appeal of approval of CON.	9/25/02
Johnson City Addiction Research and Treatment Center Johnson City, Washington County CN0203-026A	25.00-031852J	Third party appeal of approval of CON.	6/26/02
Memphis Center for Research & Addiction Memphis, Shelby County - CN0007-066A	25.00-012938J	Third party appeal of approval of CON.	12/12/01
Methodist Healthcare - Jackson Hospital Jackson, Madison County - CN9806-030A	25.00-00-4105J	Third-party appeal of approval of CON.	9/23/98
Middle Tennessee Surgical Care, LLC McMinnville, Warren County - CN0109-073A	25.00-023565J	Third party appeal of approval of CON.	12/12/01
Southeast Eye Specialists P.C.	25.00-041226J	Third party appeal of approval of CON.	2/26/03
Tennessee Orthopaedic Alliance, P.A. CN0208-076A Murfreesboro, Rutherford County		Third party appeal of approval of CON.	11/12/02
The Surgery Center of Athens Athens, McMinn County - CN0007-056A	25.00-012114J	Third-party appeal of approval of CON.	10/25/00
The Surgery Center/Upper Cumberland Physicians Surgical Center Putnam County - CN0106-044D	25.00-002293J	Applicant's appeal of denial of CON. Third-party appeal of approval of CON.	9/26/01
Wellmont Washington County Hospital Johnson City, Washington County- CN0007-059	25.00-012115J	Third-party appeal of approval of CON.	10/25/00

<sup>\*</sup>Denotes applications being heard on consent calendar. +Denotes applications under simultaneous review.